



Indiana DCS Cost Report Training

for CY 2015 (2017 Rates)

OVERVIEW



Agenda

- Background Information
- Cost Report Process
- Cost Report Completion
- I-Rate Walk Through
- Questions and Answers



Title IV-E

Social Security Act

Sec. 475. [42 U.S.C. 675]

“(4)(A) The term “foster care maintenance payments” means payments to cover the cost of (and the cost of providing) food, clothing, shelter, daily supervision, school supplies, a child’s personal incidentals, liability insurance with respect to a child, reasonable travel to the child’s home for visitation, and reasonable travel for the child to remain in the school in which the child is enrolled at the time of placement”

Source: http://www.ssa.gov/OP_Home/ssact/title04/0475.htm



Title IV-E

Code of Federal Regulations, Title 45 (Public Welfare) 45 CFR 1356.60(c)(2)

“(2) The following are examples of allowable administrative costs necessary for the administration of the foster care program:

- (i) Referral to services;
- (ii) Preparation for and participation in judicial determinations;
- (iii) Placement of the child;
- (iv) Development of the case plan;
- (v) Case reviews;
- (vi) Case management and supervision;
- (vii) Recruitment and licensing of foster homes and institutions;
- (viii) Rate setting; and
- (ix) A proportionate share of related agency overhead.
- (x) Costs related to data collection and reporting”



Rates

Cost Based Rate...

- Eligible Costs ÷ Utilization = Payment Rate
- Disallowances
 - (Listed in order as it is applied to the report)*
 - Salary Cost Limit
 - Fringe Benefit Cost Limit
 - Staffing Ratio/Caseload Ratio Cost Limit
 - Occupancy Cost Limit *(not applicable to LCPAs)*
 - Administrative Cost Limit
- Profit Margin
- Rate Adjustments
 - COLA
 - Stabilization Factor
 - Rate Year Adjustment
 - Performance
 - Program/Cost Structure Change



Random Moment Sample

- Means of distributing/allocating costs
- Federal Funding (Title IV-E)
- RTSP
 - Paper Sample
 - 3,000 samples per quarter
- LCPA
 - Email
 - 2,600 samples per quarter
- Contact DCS
 - RMS@dcs.IN.gov



Resources

Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards:

<http://www.gpo.gov/fdsys/pkg/FR-2013-12-26/pdf/2013-30465.pdf>

USDA Expenditures on Children by Families:

<http://www.cnpp.usda.gov/ExpendituresonChildrenbyFamilies.htm>

Social Security Act:

http://www.ssa.gov/OP_Home/ssact/title04/0400.htm

Code of Federal Regulations, Title 45–Public Welfare:

<http://www.gpo.gov/fdsys/pkg/CFR-2007-title45-vol4/pdf/CFR-2007-title45-vol4-part1356.pdf>



Resources

RTSP (465 IAC 2-16) & CPA (465 IAC 2-17)

http://www.in.gov/legislative/iac/iac_title?iact=465

Cost Report Instructions

<http://www.in.gov/dcs/2334.htm>

RTSP Provider Manual 2013

<http://www.in.gov/dcs/files/Rulesresidentialprovidermanual2013.pdf>

CPA Provider Manual 2013

<http://www.in.gov/dcs/files/RulesChildplacingagencyprovidermanual112312.pdf>

DCS Rate Setting Salary & Wage Guide

<http://www.in.gov/dcs/2334.htm> *(COMING SOON FOR CY 2014)*



Cost Report Process

<u>Phase 1: Planning and Completion</u>	
Public Hearing	January
Training	February – March
Preparation	Ongoing
Cost Report Completion	February – March
<u>Phase 2: Audits</u>	
Desk Audits	April – July
Rate Distribution	Late Summer
Field Audits	June – December (ongoing)
<u>Phase 3: Rate Reviews</u>	
Administrative Reviews	October – December
Appeals/Hearing	January - March



Cost Report Completion

What you'll need...

- Program Information
 - Any new / changing programs?
- Financial Information
- Census / Utilization Information
- Allocation Methodologies *I-RATE COST ALLOCATION FUNCTION*

Include Actual Costs

- **NO** Estimates (unless budget report)
- **NO** “Other” (exception: where noted)
- **NO** Budgeted Figures (exception: new program)



Budgeted Reports

- Contact DCS Rate Setting Unit if a report is needed for a new program
- Pro-Forma (12 month of data)
 - If partial actual costs, project out to full year
- How to complete?
 - Mirror existing report
 - Based on budgeted data
- Utilization?
 - Calculate at appropriate utilization percentage
 - Back into based on FTEs



Budgeted Reports

How to Calculate Utilization using FTEs

RTSP Utilization = $[(\{\$3.1 + \$3.3 \text{ Time Study allocated FTEs}\} \div 4.2) \times \text{Staffing Ratio}] \times 365$

LCPA Utilization = $[(\$3.1 + \$3.3 \text{ Time Study allocated FTEs}) \times \text{Caseload Ratio}] \times 365$

- RTSP
 - §3.1 Time Study allocated FTEs = 20.5100
 - §3.3 Time Study allocated FTEs = 4.4900
 - Staffing Ratio Limit = 2.7000
 - $[(20.5100 + 4.4900) \div 4.2] \times 2.7000] \times 365 = 5,866$
 - *If utilization result is greater than licensed capacity, adjust FTEs*
- LCPA
 - §3.1 Time Study allocated FTEs = 20.5100
 - §3.3 Time Study allocated FTEs = 4.4900
 - Staffing Ratio Limit = 5.5000 (arbitrary number between 5 and 7).
 - $[(20.5100 + 4.4900) \times 5.5000] \times 365 = 50,188$



Cost Identification

Allocation Methodologies

- Appropriate way of dispersing costs
- When used?
 - Account tied to multiple programs/cost centers
 - Account tied to multiple cost columns
- What to do?
 - Excel
 - Review
 - Account for 100% of cost
 - Reconcile
 - Be consistent (Cost & FTE allocations)



Cost Identification

Examples Allocation Methodologies

- Direct
- Utilization
- Revenue
- FTE
- Acuity of Child/Program
- Square Footage
- Meals Served
- Travel Logs
- Work Orders
- Handsets





Cost Report Cost Columns

Total: Total of allocated cost columns

Administrative: General and/or Programmatic Administrative

Maintenance (RTSP ONLY): Food, Clothing, Shelter, Daily Supervision, Personal Incidentals

Adoption (LCPA ONLY): Permanent placement of children

Time Study: Primary direct care staff cost, Case Managers, Licensing & Recruiting staff

Case Management: Case plan and case development

Non IV-E (IL & Recreation): Non-supervision recreation or Independent Living

Behavioral Health: Counseling, Therapy, Crisis Intervention

Medical: Administering medical procedures

Education: On-site school/classroom related costs

Unallowable: Federally Unallowable or unallowable per 465 IAC 2-16-21(c) (RTSP, or 465 IAC 2-17-23(c) (CPA)

Note:

More thorough description included within instructions



Understanding the Columns

RTSP

§3.1 through §3.3

What do they mean?

Administrative			Maintenance			Time Study			Non IV-E (IL / Rec.)			Behavioral Health			Medical			Education			Unallowable		
Cost	FTE	%	Cost	FTE	%	Cost	FTE	%	Cost	FTE	%	Cost	FTE	%	Cost	FTE	%	Cost	FTE	%	Cost	FTE	%
A			B			C			B			D			B			B			D		

- A:** Subjected to (1) Salary Cost Limit and (2) Administrative Cost Limit; allocated by % of Direct Costs
- B:** Maintenance, Non IV-E (IL & Recreation), and Education subjected to Salary Cost Limit, Medical is not; 100% included in payment rate
- C:** Subjected to (1) Salary Cost Limit and (2) Staffing Ratio Cost Limit; allocated by RMS %, included in payment rate
- D:** Not subjected to any cost limit, not included in payment rate; does affect Administrative Allocation



Understanding the Columns

RTSP

§4.1 through §4.4

Administrative		Maintenance		Case Management		Non IV-E (IL / Rec.)		Behavioral Health		Medical		Education		Unallowable	
Cost	%	Cost	%	Cost	%	Cost	%	Cost	%	Cost	%	Cost	%	Cost	%
A		B		B		B		D		B		B		D	

A: Subjected to Administrative Cost Limit; allocated by % of Direct Costs

B: Not subjected to any cost limit; 100% included in payment rate

D: Not subjected to any cost limit, not included in payment rate; does affect Administrative Allocation

Note: All costs of §4.3 Occupancy are subjected to Occupancy Cost Limit, regardless of its allocation



Understanding the Columns

LCPA

§3.1 through §3.3

What do they mean?

Administrative	Adoption	Time Study	Non IV-E (IL / Rec.)	Behavioral Health	Medical	Education	Unallowable
Cost FTE % A	Cost FTE % D	Cost FTE % C	Cost FTE % D				

- A:** Subjected to (1) Salary Cost Limit and (2) Administrative Cost Limit; allocated by % of Direct Costs
- C:** Subjected to (1) Salary Cost Limit and (2) Caseload Ratio Cost Limit; allocated by RMS %s, included in payment rate
- D:** Not subjected to any cost limit, not included in payment rate; does affect Administrative Allocation



Understanding the Columns

LCPA

§4.1 through §4.4

What do they mean?

Administrative	Adoption	Case Management	Non IV-E (IL / Rec.)	Behavioral Health	Medical	Education	Unallowable
Cost %	Cost %	Cost %	Cost %	Cost %	Cost %	Cost %	Cost %
A	D	B	D	D	D	D	D

- A:** Subjected to Administrative Cost Limit; allocated by % of Direct Costs
- B:** Not subjected to any cost limit; 100% included in administrative payment rate
- D:** Not subjected to any cost limit, not included in payment rate, does affect Administrative Allocation



Desk Audits

- Review
 - Current data in comparison to past years
 - Comparison of each cost report submitted to each other
 - Reasonable...Allowable...Eligible
 - Allocation methodologies
 - Comparison to various benchmarks
- Contact Provider w/ Questions (via Issues Tab and email)
- Costs may be reallocated based on correspondence w/ Provider
- Revisions



Cost Report Finalization

- Review by DCS Rate Setting Unit
 - Cost Limits
 - Fringe
 - Administrative
 - Enhancements
 - Rate Adjustments
 - COLA
 - Stabilization Factor
 - Rate Year Adjustment
 - Profit Margin (for profit agencies only)
- Rate Letters & I-Rate Cost Reports
- Contact DCS Rate Setting Unit w/ questions and/or comments
- Information Session/Individual Sessions



Rate Reviews/Appeals

Administrative Review Requests

- Review of the rates
 - 465 IAC 2-16-26 (RTSP)
 - 465 IAC 2-17-27 (LCPA)
- When to submit?
- What to submit?

Appeal/Hearing Requests

- Appeal of the rates
 - 465 IAC 2-16-27 (RTSP)
 - 465 IAC 2-17-28 (LCPA)
- When to submit?
- What to submit?



Field Audits

Why?

- Compliance
- Educational

Frequency?

- ~ Every 2 – 3 Years
- Newer Providers Sooner

Preparation

- Maintain and copy all documentation
- Keep **GOOD** notes on how costs were determined
- Document **ALL** allocations of costs and FTE's

Results

- Report
- Findings (Weighting Tool)
- Rate Adjustment



I-Rate Cost Report Tutorial

I-Rate

I-Rate = Indiana DCS Rate Setting Program
Access...

- <https://magik.dcs.in.gov>
 - Click on “KidTraks” link on left



I-Rate Cost Report Tutorial

Setting up access to the I-Rate module of KidTraks

Select "VENDOR PROFILE" to add users

A screenshot of the KidTraks web application interface. The top navigation bar is blue and contains the following items: "Account Home", "Invoices", "Payments", "Contracts", "Referrals", "Cases", and "Help". The "Vendor Profile" link is circled in red, and a red arrow points to it from the text above. Other links in the top bar include "Account Profile" and "Messages". A search box is located on the right side of the top bar. The main content area is titled "Account Home - I-RATE, INC." and contains a "Welcome to the KidTraks System" message. Below the message are two tabs: "Recent Activity" and "Billing Codes". The "Recent Activity" tab is selected and shows "No Recent Activity". On the left side of the main content area, there are sections for "Announcements" (0 announcements) and "Quick Links" (Download Billing Codes to Excel, Contact Us, DCS Home Page).



I-Rate Cost Report Tutorial

Setting up access to the I-Rate module of KidTraks

Select "Add New User" or select a User's name to edit their permissions

Vendor Profile

Profile | Contact | E-Invoicing | Subscriptions

Preferences

Receive Warrant Summary Notifications Electronically
(When you sign up to receive electronic notifications of warrant summaries, you will no longer receive paper summaries by mail.)

Submit

Referral Notifications

Centralized Referral MailBox:

LCPA MailBox:

Residential MailBox:

Update

Authorized Users

Add New User

Name	Email Address	Disabled	Admin	Role
Todd Fandrei	toddfandrei@gmail.com	N	Y	fiscal user
Chris Back	chrisback1983@gmail.com	N	N	fiscal user
Corey Burns	corburns112@gmail.com	N	N	fiscal user



I-Rate Cost Report Tutorial

Authorized users in KidTraks need to have **“fiscal user”** selected as their “Role”

- User can be given “Create/Modify” or “Read Only” permission in I-Rate

Add/Edit User

First Name:*

Last Name:*

Email:*

Disabled:

Role

I-Rate

- None
- Create / Modify**
- Read Only



I-Rate Cost Report Tutorial

Viewing your Licenses and Programs

Click "Contracts" and then select "Licenses and Programs"

A screenshot of the KidTraks I-Rate system interface. The top navigation bar is blue and contains the following items: Account Home, Invoices, Payments, Contracts (with a dropdown arrow), Referrals (with a dropdown arrow), Cases (with a dropdown arrow), and Help. A red arrow points from the text above to the "Contracts" dropdown menu, which is open and shows the following options: Contracted Services, Licenses and Programs (circled in red), Contracting Opportunities, and I-Rate. The main content area shows "Account Home - I-RATE, II" and a "Welcome to the I-Rate system" message. There are tabs for "Recent Activity" and "Billing Codes". The "Recent Activity" tab is active and shows "No Recent Activity". On the left side, there are sections for "Announcements" (0 announcements) and "Quick Links" (Download Billing Codes to Excel, Contact Us, DCS Home Page). The top right corner shows "Welcome Todd Fandrei | Change Vendor | Log Out" and a search bar.



I-Rate Cost Report Tutorial

Viewing your Licenses and Programs

Welcome Todd Fandrei | [Change Vendor](#) | [Log Out](#)

KidTraks
part of the MaGIK family

[Vendor Profile](#) [Account Profile](#) [Messages](#)

[Account Home](#) [Invoices](#) [Payments](#) [Contracts](#) [Referrals](#) [Cases](#) [Help](#)

Licenses

License Number	License Type	Start Date	Expiration Date	Licensing Agency	Closed Date	Resource ID	
30000	Child Caring Institution	01/01/2015	12/31/2018	Indiana DCS		0	
Program Name	Program Service Category		Closed Date	GuideBook Information	Critical Latest Incident	Latest Occupancy Report	Latest Occupancy
I-Rate North Unit	Open Residential			Edit			
I-Rate South Unit	Open Residential			Edit			
I-Rate East Unit	Sexually Maladaptive Youth			Edit			
I-Rate West Unit	Emergency Shelter			Edit			
50000	Child Placing Agency	01/01/2015	12/31/2018	Indiana DCS		0	
Program Name	Program Service Category		Closed Date	GuideBook Information	Critical Latest Incident	Latest Occupancy Report	Latest Occupancy
Foster Care (Age 0-4)	Foster Care (Age 0-4)						
Foster Care with Services (Age 0-4)	Foster Care with Services (Age 0-4)						
Therapeutic (Age 0-4)	Therapeutic (Age 0-4)						
Therapeutic Plus (Age 0-4)	Therapeutic Plus (Age 0-4)						
Foster Care (Age 5-13)	Foster Care (Age 5-13)						



I-Rate Cost Report Tutorial

Accessing the I-Rate module of KidTraks

Click "Contracts" and then select "I-Rate"

A screenshot of the KidTraks web application interface. The top navigation bar is blue and contains the following items: Account Home, Invoices, Payments, Contracts (with a dropdown arrow), Referrals (with a dropdown arrow), Cases (with a dropdown arrow), and Help. A red arrow points from the text "Click 'Contracts' and then select 'I-Rate'" to the "Contracts" dropdown menu. The dropdown menu is open, showing the following options: Contracted Services, Licenses and Programs, Contracting Opportunities, and I-Rate. The "I-Rate" option is circled in red. The main content area shows "Account Home - I-RATE, II" and a "Welcome to the KidTraks system" message. There are also sections for "Announcements" (0 announcements...), "Quick Links" (Download Billing Codes to Excel, Contact Us, DCS Home Page), and "Provider Rate Listing".



I-Rate Cost Report Tutorial

Cost Allocations Tab

- Click "Cost Allocations" to access this area

Account Home Invoices Payments Contracts ▾ Referrals ▾ Cases ▾ Help

Cost Reports

Cost Allocations

Add Cost Report

Group ID	Status	Revenue Tier			
10001099	Open	Tier 1			
2016 Calendar Year Rates					
Cost Report ID	Cost Calendar Year	License Type	Program Service Category	Version Status	Augmented Rate
> 10004258	2014	Child Placing Agency	CPA	Open	-
> 10004259	2014	Group Home	Sexually Maladaptive Youth	Open	-
> 10004260	2014	Child Caring Institution	Open Residential	Open	-
> 10004261	2014	Private Secure	Secure Treatment	Open	-



I-Rate Cost Report Tutorial

Cost Allocations Tab

Click "Add Cost Allocation" to add a customized cost allocation to be used on cost reports

Account Home Invoices Payments Contracts Referrals Cases Help

Cost Reports Cost Allocations

Cost Allocations [Add Cost Allocation](#)

Cost Report Group		2016 Calendar Year Rates								Status	Revenue Tier	
<input type="checkbox"/>	10001099	2016 Calendar Year Rates								Open	Tier 1	
Cost Allocation	CPA	Administrative	Adoption	Maintenance	Case Management	Non IV-E	Behavioral Health	Medical	Education	Unallowable	Comment	
Square Footage	No	10.50%	-	68.50%	2.00%	-	11.50%	-	7.50%	-		
Handsets	Yes	19.45%	2.00%	-	78.55%	-	-	-	-	-	This methodology is based on number of telephone handsets used by staff.	
Travel Logs	No	35.75%	-	46.25%	18.00%	-	-	-	-	-	This methodology is based on travel logs maintained by staff.	



I-Rate Cost Report Tutorial

Cost Allocations Tab

Enter in the percentage allocated to each cost activity column.

Cost Allocation

Cost Report Group*: 10001099

Name*: "Cost Allocation Name"

CPA:

Administrative*: 5.00%

Maintenance*: 35.00%

Case Management*: 15.00%

Non IVE*: 5.00%

Behavioral Health*: 10.00%

Medical*: 15.00%

Education*: 10.00%

Unallowable*: 0.00%

Total: 95.00% **Total must be 100%**

Comments: Type in a brief description of this methodology.

Buttons: Cancel, Save

Cost Allocation	CPA	Admi
Square Footage	No	
Handsets	Yes	
Travel Logs	No	
"Cost Allocation Name"	No	



I-Rate Cost Report Tutorial

Cost Allocations Tab

If a custom allocation is being used on a cost report, it cannot be modified.

Cost Allocation	CPA	Admi
Square Footage	No	
Handsets	Yes	
Travel Logs	No	
"Cost Allocation	No	

Amounts cannot be changed. This allocation is used on 2 report(s). The reports are: 10004259 10004261



I-Rate Cost Report Tutorial

Cost Reports Tab

- 2017 Calendar Year Rates cost report group will be empty
- Previous year's cost reports can be accessed from this tab as well

Welcome Todd Fandrei | [Change Vendor](#) | [Log Out](#)

KidTraks
part of the MaGIK family

[Vendor Profile](#) [Account Profile](#) [Messages](#)

Account Home Invoices Payments Contracts ▾ Referrals ▾ Cases ▾ Help

Cost Reports Cost Allocations

[Add Cost Report](#)

Group ID	Status	Revenue Tier
10001296 2017 Calendar Year Rates	Locked	Tier 1
10001197 2016 Calendar Year Rates	Locked	Tier 1

Cost Report ID	Cost Calendar Year	License Type	Program Service Category	Version Status	Augmented Rate
> 10004584	2014	Private Secure	Secure Treatment	Open	-
> 10004598	2014	Child Caring Institution	Sexually Maladaptive Youth	Open	-



I-Rate Cost Report Tutorial

Adding a cost report

-Only a user with “Create/Modify” permissions in I-Rate can add a cost report

Click “Add Cost Report”

The screenshot shows the I-Rate system interface. At the top is a navigation bar with links: Account Home, Invoices, Payments, Contracts, Referrals, Cases, and Help. Below this is a tabbed interface with 'Cost Reports' and 'Cost Allocations'. A yellow banner is present, and the 'Add Cost Report' button is circled in red. Below the banner are two small buttons with minus and plus signs. At the bottom is a table with columns: Group ID, Status, and Revenue Tier.

Group ID	Status	Revenue Tier
10001296	Locked	Tier 1



I-Rate Cost Report Tutorial

Adding a cost report

- You can only add reports for programs that are listed in the Licenses and Programs section of KidTraks
- If a cost report is needed for a program that is not listed, contact DCS Rate Setting Staff

A screenshot of a web application interface. At the top, a blue navigation bar contains links: Account Home, Invoices, Payments, Contracts, Referrals, Cases, and Help. Below this, a sidebar on the left shows a tree view under "Cost Reports" with a "Group ID" of "10001099" and a list of "Cost Report ID" values: 10004258, 10004259, 10004260, and 10004261. The main content area is a "Mozilla Firefox" browser window displaying a form titled "Add Cost Report". The form fields are: "Cost Report Group:*" (dropdown menu with "10001099" selected), "License Type:*" (dropdown menu with "Child Caring Institution" selected), "Program Service Category:*" (dropdown menu with "Drug and Alcohol" selected), "Cost Calendar Year:*" (text input with "2014"), and "Rate Calendar Year:*" (text input with "2016"). There is also a "Notes:" text area and "Submit" and "Cancel" buttons at the bottom. The browser's address bar shows the URL: https://magik.trng.dcs.in.gov/Financials/iRate/Edit/IFrame.aspx?ControlParameterValue=VendorC... The bottom of the page shows a copyright notice and a "SIGN OUT" link.



I-Rate Cost Report Tutorial

Once cost report is added, you will be redirected to this screen to begin populating the report with program and cost data.

iRate - Cost Report Information Action:

Vendor: IRATE, INC	Cost Calendar Year: 2014	
Report ID: 10004266	Rate Year: 2016	Budget Report <input type="checkbox"/>
Version Number: 1	Vendor Cost Report Status: Open	Administrative Review <input type="checkbox"/>
License Type: Child Caring Institution	Desk Audit Status: Not Started	Administrative Appeal <input type="checkbox"/>
Program Service Category: Drug and Alcohol	Version Status: Open	Field Audit <input type="checkbox"/>
Vendor Create User: Corey Greenya (cgreenya@gmail.com)	Rate Status: Not active	
Desk Auditor:		
Reported Fringe and Tax: <input type="text" value="00.00%"/>	Reported Staff Ratio: <input type="text" value="0.0000"/>	Reported Capacity: <input type="text" value="00.00%"/>
Reported Administrative: <input type="text" value="00.00%"/>		

Programs Personnel Costs Program Costs Indirect Costs Revenue Issues Events Attachments

§1.1 Programs Add Program

Program	Rate List ID	Days of Operation	Utilization	Program Share of Licensed Bed Capacity	Indiana Based	County	Region
No records to display.							

If RTSP, the first step is to attach a program to the cost report



I-Rate Cost Report Tutorial

Adding a program to the cost report

- A program can only be added to one cost report
- Only programs with the same License type and Program Service Category can be added

iRate - Cost Report Information Action:

Vendor: IRATE, INC Cost Calendar Year: 2014

Report ID: 10004266

Version Number: 1

License Type: Child Caring In Budget Report

Program Service Category: Administrative Review

Vendor Create User: Corey G Administrative Appeal

Desk Auditor: Field Audit

Reported Fringe and Tax:

§1.1 Programs

Program	Rate Li
No records to display.	

Mozilla Firefox x

State of Indiana (US) <https://magik.trng.dcs.in.gov/Financials/iRate/Edit/IFrame.aspx?ControlParameterValue> ☆

1.1 Programs

Program:* ▾

Days Of Operation:*

Utilization:*

Bed Capacity:*

Notes:



I-Rate Cost Report Tutorial

Adding employee cost and FTE data to §3.1 Salary and Wages

- The same process is followed for adding information to §3.3 Contracted Services

iRate - Cost Report Information Action:

Vendor: [IRATE, INC](#) Cost Calendar Year: 2014

Report ID: 10004266 Rate Year: 2016

Version Number: 1 Vendor Cost Report Status: Open

License Type: Child Caring Institution Desk Audit Status: Not Started

Program Service Category: Drug and Alcohol Version Status: Open

Vendor Create User: Corey Greenya (cgreenya@gmail.com) Rate Status: Not active

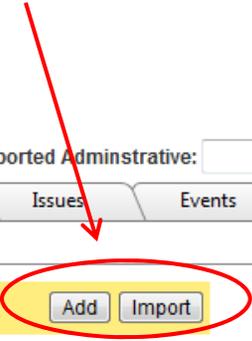
Desk Auditor:

Reported Fringe and Tax: Reported Staff Ratio: Reported Capacity: Reported Administrative:

§3.1 Salary and Wages

Position	Total		Administrative			Maintenance			Time Study			Non IV-E (IL / Rec.)			Behavioral Health			Medical			Education			Unallowable			Comments
	Cost	FTE	Cost	FTE	%	Cost	FTE	%	Cost	FTE	%	Cost	FTE	%	Cost	FTE	%	Cost	FTE	%	Cost	FTE	%	Cost	FTE	%	
No records to display.																											

Click "Add" or "Import" to input employee personnel costs





I-Rate Cost Report Tutorial

Adding a single position's cost and FTE

lks family

3.1 Salary & Wages

Position*:

	Cost	FTE	Salary	Hourly Wage
Administrative*:	<input type="text" value="\$0.00"/>	<input type="text" value="0.0000"/>	<input type="text" value="\$0.00"/>	<input type="text" value="\$0.00"/>
Maintenance*:	<input type="text" value="\$0.00"/>	<input type="text" value="0.0000"/>	<input type="text" value="\$0.00"/>	<input type="text" value="\$0.00"/>
Time Study*:	<input type="text" value="\$150,000.00"/>	<input type="text" value="5.0000"/>	<input type="text" value="\$30,000.00"/>	<input type="text" value="\$14.42"/>
Non IV-E*:	<input type="text" value="\$0.00"/>	<input type="text" value="0.0000"/>	<input type="text" value="\$0.00"/>	<input type="text" value="\$0.00"/>
Behavioral Health*:	<input type="text" value="\$0.00"/>	<input type="text" value="0.0000"/>	<input type="text" value="\$0.00"/>	<input type="text" value="\$0.00"/>
Medical*:	<input type="text" value="\$0.00"/>	<input type="text" value="0.0000"/>	<input type="text" value="\$0.00"/>	<input type="text" value="\$0.00"/>
Education*:	<input type="text" value="\$0.00"/>	<input type="text" value="0.0000"/>	<input type="text" value="\$0.00"/>	<input type="text" value="\$0.00"/>
Unallowable*:	<input type="text" value="\$0.00"/>	<input type="text" value="0.0000"/>	<input type="text" value="\$0.00"/>	<input type="text" value="\$0.00"/>
Total:	<input type="text" value="\$150,000.00"/>	<input type="text" value="5.0000"/>	<input type="text" value="\$30,000.00"/>	<input type="text" value="\$14.42"/>

Comments:

Cancel Save



I-Rate Cost Report Tutorial

Adding Fringe Benefits & Payroll Taxes

License Ty
Program S
Vendor Cre
Desk Audit
Reported I

Program
Salary a

\$3.2 Fr

Reported Administrativ
Issues

% of \$3.1

1	S			7.56 %
2	W			-
3	U			0.49 %
4	Retirement	\$14,250.00		2.81 %
5	Health, Dental, Vision, etc.	\$95,000.00		18.77 %
6	Life Insurance	-		-
7	Disability Insurance	-		-
8	Other Fringe Benefits & Payroll Taxes	-		-
		\$150,000.00		29.63 %

Mozilla Firefox

State of Indiana (US) | <https://magik.trng.dcs.in.gov/Financials/iRate/Edit/IFrame.aspx?ControlParam>

3.2 Fringe Benefits and Payroll Taxes

Cost Type:

Total*:

Comments:

Cancel Save



I-Rate Cost Report Tutorial

Adding Program Costs

Financials | Peoplesoft - Timesheet | Peoplesoft - HR | C

Program Service Category: Sexually Maladaptive Youth
 Vendor Create User: Corey Burns (corburns112@gmail.com)
 Desk Auditor:

Reported Fringe and Tax: 36.00% | Reported Staff Rat

Programs | Personnel Costs | Program

Child/Resident | Operating | Occupancy | Tra

§4.3 Occupancy

	Cost Type	Allocation
1	Depreciation (Building & Grounds)	Square Footage
2	Depreciation (Equipment)	Direct
3	Rent	
4	Mortgage Interest	
5	Property Taxes	\$3.1 FTE
6	Property Insurance	\$3.1 Cost
7	Utilities	\$3.1 + \$3.3 FTE
8	Telephone	\$3.1 + \$3.3 Cost
9	Maint. & Repair (Building & Grounds)	Square Footage
10	Maintenance & Repair (Equipment)	Travel Logs
11	Small Equipment Purchase	
12	Leased and Rented Equipment	
13	Other Occupancy	

Mozilla Firefox | State of Indiana (US) | https://magik.trng.dcs.in.gov/Financials/iRate/Edit/IFrame.aspx?ControlParam

4.3 Occupancy

Cost Type: Depreciation (Building & Grounds)

Cost Allocation: Square Footage

Administrative*: \$10,762.50
 Maintenance*: \$70,212.50
 Case Management*: \$2,050.00
 Non IV-E*: \$0.00
 Behavioral Health*: \$11,787.50
 Medical*: \$0.00
 Education*: \$7,687.50
 Unallowable*: \$0.00
Total: \$102,500.00

Comments:

Cancel | Save

\$243,730.02 | \$37,026.48 | 15% | \$149,900.92 | 62% | \$4,904.69 | 2% | - | - | \$21,994.98



I-Rate Cost Report Tutorial

Adding Indirect Administrative Costs

Reported Fringe and Tax: Reported Staff Ratio: Reported Capacity: Reported Administrative:

Programs Personnel Costs Program Costs Indirect Costs Revenue Issues Events

Personnel Operating

§5.1 Personnel

	Position
1	Senior Management
2	General Administrative
3	Human Resources
4	Finance
5	Facilities Management
6	Management Information Sys
7	Fundraising / Development
8	Other Indirect Personnel

Mozilla Firefox

State of Indiana (US) <https://magik.trng.dcs.in.gov/Financials/iRate/Edit/IFrame.aspx?ControlParameterValue=C>

5.1 Indirect Personnel

Position

	Cost	FTE	Salary	Hourly Wage
Total*	<input type="text" value="\$0.00"/>	<input type="text" value="0.0000"/>	<input type="text" value="\$0.00"/>	<input type="text" value="\$0.00"/>

Comments



I-Rate Cost Report Tutorial

Adding Indirect Administrative Costs

Reported Fringe and Tax: Reported Staff Ratio: Reported Capacity: Reported Administrative:

Programs Personnel Costs Program Costs Indirect Costs Revenue Issues Even

Personnel Operating Summary

\$5.2 Operating

	Position
1	Food/Household Supplies
2	Office Supplies
3	Fees, Dues, & Subscriptions
4	Accident Insurance
5	Advertising
6	Printing/Postage/Shredding
7	Conference & Training
8	Employee Medical Exams
9	Employee Recruitment
10	Bad Debt

Mozilla Firefox
State of Indiana (US) https://magik.trng.dcs.in.gov/Financials/iRate/Edit/IFrame.aspx?ControlParan

5.2 Indirect Operating

Cost Type:

Total*:

Comments:

Cancel Save



I-Rate Cost Report Tutorial

Attachments can be added

- Licenses, financial documents, working papers, etc.
- enter “ . ” in the Description field
- Name the file in a thoughtful manner
 - Ex: License_I-Rate North Unit, Job Description_Case Manager

The screenshot shows the I-Rate Cost Report system interface. A dialog box titled "Attachment Upload -- Webpage Dialog" is open, allowing a user to upload a file. The dialog box has a blue header with the text "Attachment Upload". It contains a "Filename:" field with the text "C:\Users\CGreenya\Deskt" and a "Browse..." button. Below it is a "Description:" field with a single period "." entered. At the bottom of the dialog are "Submit" and "Cancel" buttons.

The background interface shows the "iRate - Cost Report Information" section with the following details:

- Vendor: [I-RATE, INC.](#)
- Report ID: 10003956
- Version Number: 1
- License Type: Child Caring Institution
- Program Service Category: Open Residential
- Vendor Create User: Corey Greenya (cgreenya@)
- Desk Auditor: Greenya,Corey

Below this information are tabs for "Programs" and "Personnel Costs". The "Attachments" section is highlighted in yellow and contains an "Add" button. To the right, there are checkboxes for "Budget Report", "Administrative Review", "Administrative Appeal", and "Field Audit". At the bottom, there is a table with the following data:

Attachment	Created By	Create Date
FTE Allocation.xlsx.	cgreenya@gmail.com	02/04/2014



I-Rate Cost Report Tutorial

“Action” drop down list

- Submit Cost Report
- Print Cost Report

The screenshot shows the iRate system interface. At the top, there is a navigation bar with links for Vendor Profile, Account Profile, and Messages. Below this is a menu with options like Account Home, Invoices, Payments, Contracts, Referrals, Cases, and Help. The main content area displays 'iRate - Cost Report Information' for Vendor: IRATE, INC. It includes fields for Report ID, Version Number, License Type, Program Service Category, Vendor Create User, and Desk Auditor. There are also fields for Reported Fringe and Tax, Reported Staff Ratio, Reported Capacity, and Reported Administrative. At the bottom, there is a section for §1.1 Programs with an 'Add Program' dropdown and a 'Go' button. A red arrow points from the 'Action' dropdown menu to the list of actions provided in the tutorial.

Training Environment | Welcome Corey Greenya | [Change Vendor](#) | [Log Out](#)

[Vendor Profile](#) [Account Profile](#) [Messages](#) Search

Account Home Invoices Payments Contracts Referrals Cases Help

iRate - Cost Report Information

Vendor: [IRATE, INC](#) Cost Calendar Year: 2014

Report ID: 10004260 Rate Year: 2016

Version Number: 1 Vendor Cost Report Status: Open

License Type: Child Caring Institution Desk Audit Status: Not Started

Program Service Category: Open Residential Version Status: Open

Vendor Create User: Bob Nicholson (rnicholson01@comcast.net) Rate Status: Not active

Desk Auditor:

Reported Fringe and Tax: 31.16% Reported Staff Ratio: 4.1416 Reported Capacity: 76.03% Reported Administrative: 30.74%

Programs Personnel Costs Program Costs Indirect Costs Revenue Issues Events Attachments

§1.1 Programs Add Program Go

Action: Go

- Print Cost Report
- Print Issues Report
- Submit To DCS



I-Rate Cost Report Tutorial

Issues / Questions posed by the Desk Auditor

Report ID: 10004258

Version Number: 1

License Type: Child Placing Agency

Program Service Category: CPA

Vendor Create User: Corey Greenya (cgreenya@gmail.com)

Desk Auditor: Nicholson,Robert A

Rate Year: 2016

Vendor Cost Report Status: S

Desk Audit Status: Started

Version Status: Open

Rate Status: Not active

	1		1	Administrative Assistant	\$30	<input type="checkbox"/>
	0		2	Case Manager	\$190	<input type="checkbox"/>
	0		3	Executive Director	\$46	<input type="checkbox"/>
	1		4	<u>Licensing Coordinator</u>	\$78	<input type="checkbox"/>
	0		5	Program Director	\$96	<input type="checkbox"/>

Locations: 1

Reported Fringe and Tax: 16.74% Reported Case Load Ratio: 9.4754 Reported Capacity: N/A Reported Administrative: 56.54%

- Programs
- Personnel Costs
- Program Costs
- Indirect Costs
- Revenue
- Issues
- Events
- Attachments

Issues

Issue ID	Name	Section	Line Number	Category	Status	Created By	Date	
	1002867	Licensing Coordinator	Salary And Wages	4	Allocation	Open	Nicholson,Robert A	02/11/2015
	1002868	Administrative Assistant	Salary And Wages	1	Amount	Resolved	Nicholson,Robert A	02/11/2015
	1002870	Number of locations/offices	Programs		General	Open	Nicholson,Robert A	02/11/2015



I-Rate Cost Report Tutorial

Email sent to user who created cost report

-click on cost report ID to be redirected to the cost report

From: DCS Rate Setting Unit [<mailto:DCSRateSetting@dcs.in.gov>]
Sent: Wednesday, February 11, 2015 12:36 PM
To: Cox, Barry D
Subject: Cost Report 10004258 Issues and Questions

Dear Corey Greenya,

Cost report [10004258](#) has been reviewed by DCS Rate Setting Staff. Please address the issues below by adding your comments to each issue in the I-Rate cost report. You will only be able to change lines that have unresolved issues. If you have any questions on how to provide responses to these issues, please contact Robert Nicholson at Robert.Nicholson@dcs.IN.gov.

Issue ID	Issue Name	Section	Line Number	Issue Description	Created By	Date
1002867	Licencing Coordinator	Salary And Wages	4	Why was this position allocated to Time Study. We need a job description for this position.	Nicholson,Robert A	02/11/2015
1002868	Administrative Assisstant	Salary And Wages	1	Are the Amount and FTE correct for this position? The annualized cost I=for this position is \$26,933. Last year the annualized cost for this position was \$22,550.	Nicholson,Robert A	02/11/2015
				Why was 100% of this cost allocated to		



I-Rate Cost Report Tutorial

Responding to Issues / Questions posed by the Desk Auditor

MaGIK | KidTraks

Search [] Training Environment | Greenya,Corey | S

Thursday, February 12

Accounts Payable

iRate - Cost Report Information

Vendor: IRATE, INC

Report ID: 10004258

Version Number: 1

License Type: Child Placing Agency

Program Service Category: CP

Vendor Create User: Corey Greenya

Desk Auditor: Greenya,Corey

Programs | Adjustments | Salary and Wages | Fringe

0 \$3.1 Salary and

Comment ID | Comment | Created By | Date

2004552 | This position is only compensated \$26,933 on average annually. | Corey Greenya | 02/11/2015

2004554 | What is the correct total cost that should be identified for this position on the cost report? | Nicholson,Robert A | 02/11/2015

2004555 | \$30,300 is the correct amount. This includes multiple individuals with this job title. | Corey Greenya | 02/12/2015

2004556 | Because \$30,300 is the correct amount, the FTE that was identified needs to be adjusted. The FTE will be changed to 1.1250 (\$30,300 / \$26,933). | Greenya,Corey | 02/12/2015

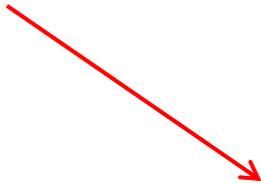
Non IV-E (IL / Rec.) | Behavior Health

Cost | FTE | % | Cost | FTE



I-Rate Cost Report Tutorial

- Notify DCS of Issue Responses
- Print Issues Report



iRate - Cost Report Information

Vendor: IRATE, INC
Report ID: 10004258
Version Number: 1
License Type: Child Placing Agency
Program Service Category: CPA
Vendor Create User: Corey Greenya (cgreenya@gmail.com)
Desk Auditor: Greenya, Corey

Cost Calendar Year: 2014
Rate Year: 2016
Vendor Cost Report Status: Submitted
Desk Audit Status: Started
Version Status: Open
Rate Status: Not active

Reported Fringe and Tax: 16.74%
Reported Case Load Ratio: 9.4754
Reported Capacity: N/A
Reported Administrative: 56.54%

Actions:

Programs Personnel Costs Program Costs Indirect Costs Revenue Issues Events Attach

Salary and Wages Fringe Benefits and Payroll Taxes Contracted Services

§3.1 Salary and Wages

	Position	Total		Administrative			Adoption			Time Study	
		Cost	FTE	Cost	FTE	%	Cost	FTE	%	Cost	FTE
<input type="button" value="1"/>	1 Administrative Assistant	\$30,300.00	0.1125	\$30,300.00	0.1125	100 %	-	-	-	-	-
<input type="button" value="0"/>	2 Case Manager	\$190,635.00	6.1533	-	-	-	-	-	-	\$190,635.00	6.1533



I-Rate Cost Report Tutorial

Printed Issues Report

- PDF printout of all Issues and Comments

	<h3>Cost Report Issues</h3>	
<p>Vendor: IRATE, INC License Type: Child Placing Agency Program Service Category: CPA</p>		<p>I-Rate Cost Report ID: 10004258 Version Number: 1 Year: 2016</p>

Issue ID	Name	Description	Section	Line Number	Category	Status	Created By	Date
1002867	Licensing Coordinator	Why was this position allocated to Time Study. We need a job description for this position.	Salary And Wages	4	Allocation	Open	Nicholson,Robert A	2/11/2015
<p>Comment This position is responsible for all the necessary tasks related to the recruitment and licensing of foster homes / parents.</p>			Created By	Date				
			Corey Greenya	2/11/2015				
1002868	Administrative Assisstant	Are both the cost and the FTE correct for this line entry? Total cost (\$30,300) + FTE (0.1125) yields an annualized cost of \$269,333 or \$129.49/hour for this position. This seems high for a position of this type.	Salary And Wages	1	Amount	Open	Nicholson,Robert A	2/11/2015
<p>Comment This position is only compensated \$26,933 on average annually.</p>			Created By	Date				
			Corey Greenya	2/11/2015				
<p>What is the correct total cost that should be identified for this position on the cost report?</p>			Nicholson,Robert A	2/11/2015				
<p>\$30,300 is the correct amount. This includes multiple individuals with this job title.</p>			Corey Greenya	2/12/2015				
<p>Because \$30,300 is the correct amount, the FTE that was identified needs to be adjusted. The FTE will be changed to 1.1250 (\$30,300 / \$26,933).</p>			Greenya,Corey	2/12/2015				
1002870	Number of locations/offices	How many locations/offices were in operation during CY 2014? Where were these offices located?	Programs		General	Open	Nicholson,Robert A	2/11/2015
<p>Comment IRATE, Inc. has Child Placing Agency offices at 2 different locations. One location is in Allen county and the other location is in Marion county.</p>			Created By	Date				
			Corey Greenya	2/11/2015				



I-Rate Cost Report Tutorial

Cost Report events are logged automatically

iRate - Cost Report Information Action:

Vendor: IRATE, INC	Cost Calendar Year: 2014	Budget Report: <input type="checkbox"/>
Report ID: 10004258	Rate Year: 2016	Administrative Review: <input type="checkbox"/>
Version Number: 1	Vendor Cost Report Status: Submitted	Administrative Appeal: <input type="checkbox"/>
License Type: Child Placing Agency	Desk Audit Status: Started	Field Audit: <input type="checkbox"/>
Program Service Category: CPA	Version Status: Open	Locations: 1 <input type="button" value="v"/>
Vendor Create User: Corey Greenya (cgreenya@gmail.com)	Rate Status: Not active	
Desk Auditor: Greenya, Corey		

Reported Fringe and Tax:
Reported Case Load Ratio:
Reported Capacity:
Reported Administrative:

Events

Event	Date	Description	Created By	Create Date
Version Created	02/06/2015	Version 1 created.	cgreenya@gmail.com	02/06/2015
Cost Report Submitted to DCS	02/11/2015	Cost Report submitted to DCS by vendor.	cgreenya@gmail.com	02/11/2015
Desk Audit Started	02/11/2015	Desk audit started.	RNicholson	02/11/2015
Issue email sent to vendor	02/11/2015	Issue email sent to vendor.	RNicholson	02/11/2015
DCS notified of issue responses	02/11/2015	DCS notified of issues responses.	cgreenya@gmail.com	02/11/2015
Desk Auditor Switched	02/12/2015	Desk auditor switched from Nicholson, Robert A to Greenya, Corey by Greenya, Corey.	CGreenya	02/12/2015



Salary Cost Limit Disallowance

3 Tier Salary Cost Limit, referencing Total Vendor Revenue:

- < \$1 million = \$100,000
- \$1 million - \$5 million = \$125,000
- > \$5 million = \$175,000

$$\frac{\{Salary\ Cost\ Limit - (Reported\ Cost \div Reported\ FTE)\}}{(Reported\ Cost \div Reported\ FTE)} = \% \text{ Disallowance}$$

$$\frac{\{\$175,000 - (\$50,000 \div 0.2500)\}}{(\$50,000 \div 0.2500)} = 12.50\%$$

$$Reported\ Cost \times \% \text{ Disallowance} = \$ \text{ Disallowance}$$

$$\$50,000 \times 12.50\% = \$6,250$$



Fringe and Tax Cost Limit Disallowance

$$\frac{\text{\$3.2 Fringe Benefits \& Payroll Taxes}}{\left(\frac{\text{\$3.1 Salary \& Wages Total} - \text{Salary Cost Limit}}{\text{Disallowance}} \right)} = \text{Fringe \& Tax Reported}$$

$$\frac{\$150,000}{(\$506,250 - \$6,250)} = 30.00\%$$

$$\left\{ \left(\frac{\text{\$3.1 Salary \& Wages Total} - \text{Salary Cost Limit}}{\text{Disallowance}} \right) \times \frac{\text{Fringe \& Tax}}{\text{Cost Limit}} \right\} - \frac{\text{\$3.2 Fringe Benefits \& Payroll Taxes Total}}{\text{Disallowance}} = \$ \text{Disallowance}$$

$$\{(\$506,250 - \$6,250) \times 28.55\% \} - \$150,000 = \$7,250.10$$



Staffing/Case Load Ratio Cost Limit Disallowance

$$\frac{\left(\frac{\text{Reported Utilization}}{\text{Days of Operation}} \right)}{\left\{ \frac{(\$3.1 + \$3.3 \text{ Time Study FTEs})}{\# \text{ of 40 hour shifts per week}} \right\}} = \text{Staffing \ Case Load Ratio Reported}$$

RTSP
Only

$$\frac{\left(\frac{2,755}{365} \right)}{\left\{ \frac{(7.7100 + 1.0000)}{4.2} \right\}} = 3.6661...$$

$$\frac{\left(\frac{\text{Staffing \ Case Load Ratio Cost Limit} - \text{Staffing \ Case Load Ratio Reported}}{\text{Staffing \ Case Load Ratio Cost Limit}} \right)}{\text{Staffing \ Case Load Ratio Cost Limit}} = \% \text{ Disallowance}$$

$$\frac{(4.6000 - 3.6661 \dots)}{4.6000} = 20.30\%$$

Note: 20.30% applied against §3.4 lines (3), (8), & (13)



Staffing/Case Load Ratio Cost Limit Disallowance

§3.4 Time Study Allocation will not be available until the cost report has been committed by DCS and the rate has been activated



Vendor: IRATE, INC
 License Type: Child Caring Institution
 Program Service Category: Open Residential

I-Rate Cost Report ID: 10004260
 Version Number: 1
 Year: 2014



§3.4 Time Study Allocation

Cost Type	Total	Administrative	Maintenance	Case Management	Non IV-E (IL & Rec.)	Behavioral Health	Medical	Education	Unallowable
(1) T/S Salaries and Wages	\$295,000.00	\$14,278.00	\$258,803.50	\$9,587.50	\$3,245.00	\$5,369.00	-	\$3,569.50	\$147.50
(2) T/S Salaries and Wages Excess of Cap	-	-	-	-	-	-	-	-	-
(3) T/S Salaries and Wages Subtotal	\$295,000.00	\$14,278.00	\$258,803.50	\$9,587.50	\$3,245.00	\$5,369.00	-	\$3,569.50	\$147.50
(4) T/S Salaries and Wages Staff Ratio Excess of Cap	(\$59,885.00)	(\$2,898.43)	(\$52,537.11)	(\$1,946.26)	(\$658.74)	(\$1,089.91)	-	(\$724.61)	(\$29.94)
(5) T/S Salaries and Wages Total	\$235,115.00	\$11,379.57	\$206,266.39	\$7,641.24	\$2,586.27	\$4,279.09	-	\$2,844.89	\$117.56
(6) T/S Fringe Benefits and Payroll Taxes	\$88,500.00	\$4,283.40	\$77,641.05	\$2,876.25	\$973.50	\$1,610.70	-	\$1,070.85	\$44.25
(7) T/S Fringe Benefits and Payroll Taxes Excess of Cap	(\$4,277.56)	(\$207.03)	(\$3,752.70)	(\$139.02)	(\$47.05)	(\$77.85)	-	(\$51.76)	(\$2.14)
(8) T/S Fringe Benefits and Payroll Taxes Subtotal	\$84,222.44	\$4,076.37	\$73,888.35	\$2,737.23	\$926.45	\$1,532.85	-	\$1,019.09	\$42.11
(9) T/S Fringe Benefits and Payroll Taxes Staff Ratio Excess of Cap	(\$17,097.16)	(\$827.50)	(\$14,999.33)	(\$555.66)	(\$188.07)	(\$311.17)	-	(\$206.88)	(\$8.55)
(10) T/S Fringe Benefits and Payroll Taxes Total	\$67,125.29	\$3,248.86	\$58,889.01	\$2,181.57	\$738.38	\$1,221.68	-	\$812.22	\$33.56
(11) T/S Contracted Services	\$35,000.00	\$1,694.00	\$30,705.50	\$1,137.50	\$385.00	\$637.00	-	\$423.50	\$17.50
(12) T/S Contracted Services Excess of Cap	-	-	-	-	-	-	-	-	-
(13) T/S Contracted Services Subtotal	\$35,000.00	\$1,694.00	\$30,705.50	\$1,137.50	\$385.00	\$637.00	-	\$423.50	\$17.50
(14) T/S Contracted Services Staff Ratio Excess of Cap	(\$7,105.00)	(\$343.88)	(\$6,233.22)	(\$230.91)	(\$78.16)	(\$129.31)	-	(\$85.97)	(\$3.55)
(15) T/S Contracted Services Total	\$27,895.00	\$1,350.12	\$24,472.28	\$906.59	\$306.85	\$507.69	-	\$337.53	\$13.95
Direct Care Staff Time Study Allocation Total	\$330,135.29	\$15,978.55	\$289,627.69	\$10,729.40	\$3,631.49	\$6,008.46	-	\$3,994.64	\$165.07
	100.00%	4.84%	87.73%	3.25%	1.10%	1.82%	0.00%	1.21%	0.05%

Note: T/S Denotes "Time Study"

20.30% applied against §3.4 lines (3), (8), & (13); disallowance shown on lines (4), (9), & (14)



Capacity Cost Limit Disallowance

$$\frac{\text{Reported Utilization}}{\text{Potential Days of Service}} = \text{Capacity Reported}$$

$$\frac{2,775 \text{ Days}}{3,650 \text{ Days}} = 76.03\%$$

$$\text{Capacity Cost Limit} - \text{Capacity Reported} = \% \text{ Disallowance}$$

$$80.00\% - 76.03\% = 3.97\%$$

$$\text{\$4.3 Occupancy Total} \times \% \text{ Disallowance} = \$ \text{ Disallowance}$$

$$\text{\$100,000} \times 3.97\% = \text{\$3,970}$$



§7.2 Administrative Cost Allocation Walk Through

§3.4 Time Study Allocation, §7.1 Total Direct Costs, and §7.2 Administrative Cost Allocation will not be available until the cost report has been committed by DCS and the rate has been activated

$$\begin{aligned}
 \text{Line (1)} &= \text{\$7.1 Total Direct Costs Less Excess} - \text{\$7.1 Total Direct Administrative} - \text{\$7.1 Total Direct Unallowable} + \text{\$3.4 Time Study Administrative Total} \\
 \$551,407.54 &= \$746,692.74 - \$211,098.69 - \$165.07 + \$15,978.55
 \end{aligned}$$

$$\begin{aligned}
 \text{Line (2)} &= \text{\$7.2 Line (1) \times Administrative Cost Limit} \\
 \$195,087.99 &=
 \end{aligned}$$

$$\begin{aligned}
 \text{Line (3)} &= \text{\$7.1 Total Direct Administrative}
 \end{aligned}$$

$$\begin{aligned}
 \text{Line (4)} &= \text{\$5.3 Total Indirect Costs} - \text{\$ 5.1 Line (7)} - \text{\$ 5.2 Line (10)} - \text{\$ 5.2 Line (11)} - \text{\$ 5.2 Line (12)} \\
 \$10,000 &= \$10,000 - \$0 - \$0 - \$0 - \$0
 \end{aligned}$$



§7.2 Administrative Cost Allocation Walk Through

Line (5)	=	§7.2 Line (3) + § 7.2 Line (4)
\$221,098.69	=	\$211,098.69 + \$10,000
Line (6)	=	§3.4 Time Study Administrative Total
Line (7)	=	§7.2 Line (5) - § 7.2 Line (6)
\$205,120.14	=	\$221,098.69 - \$15,978.54
Line (8)	=	Lesser of §7.2 Line (2) and §7.2 Line (7)
Line (9)	=	§7.2 Line (8) + §3.4 Time Study Administrative Total
\$211,066.53	=	\$195,087.99 + \$15,978.54
Administrative Cost Disallowance	=	§7.2 Line (7) - §7.2 Line (9)
\$5,946.39	=	\$205,120.14 - \$211,066.53



Important Reminders

RTSP:

- Only programs of similar type can be included on one report (License Type, Program Service Category, and Cost Structure)
- If multiple programs are grouped on one report, each of these programs will have the same generated payment rate.

Both RTSP & LCPA:

- Manually enter all data.
- Enter real numbers into the cost report. Formulas cannot be entered.
- Duplicate positions cannot be identified in §3.1 Salaries and Wages and/or §3.3 Contracted Services.
- Round all FTEs to four (4) decimal places.
- Attachments (including Licenses, program descriptions, Financial Audits, etc.) can be uploaded to the cost report in I-Rate, rather than mailing hard copies



Important Reminders

- Do not allocate staff to multiple cost line entries (identify employees to only ONE position)
- Include all costs of the identified program(s) on the cost report
- If submitting a budgeted report, make sure information is pro-rated out to a full year's worth of data
- Check cost report for accuracy
- If a report is incomplete upon submission, the report will be sent back for correction.
- **Make use of the allocation tool within I-Rate.**
- When adding any "other" cost line entries (ie: sections 3.2,4.1,4.2,4.3,4.4, and/or 5.1) be as descriptive as possible in the comments section of the individual line entry.
- When submitting responses to Desk Audit, make sure to select "Submit to DCS" from Action drop down.
- Name your attachments in an organized manner
- Cost Reports are due **March 31, 2016.**



Cost Report Contact Info

Website

<http://www.in.gov/dcs/2907.htm>

DCS Rate Setting Email

DCSRateSetting@dcs.in.gov

Mailing Address

Indiana Department of Child Services
Attn: Rate Setting Unit
402 W. Washington St., Room W392, MS-50
Indianapolis, IN 46204



Meet the Team...

Staff	Email	Telephone
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